FILE: B-209375 DATE: December 7, 1982

MATTER OF: United States Information Agency Excess Cost of Hotel Rooms

DIGEST: The Director of the United States Information Agency requests a determination that the Agency may rent accommodations for employees on temporary duty at a cost in excess of the statutory limitation where the use of the particular accommodations is an integral part of the employee's job and failure to provide such accommodations would frustrate the ability of the Agency to carry out its statutory mandate. Under the circumstances described by the Director, including implementing administrative safequards, we hold that the Agency may rent the accommodations as required. The costs are a necessary administrative expense of transacting official business.

This decision responds to a request by Charles Z. Wick, Director, United States Information Agency, concerning the use of appropriated funds for the payment of expenses for the renting or leasing of cooms for employees traveling on temporary duty. Under the circumstances described below, the Agency may continue to rent rooms for the performance of official business at a cost over the allowable subsistence expense limitation.

In a recent decision we held that, although a Government contracting officer may contract for rooms and meals for employees on temporary duty, appropriated funds are not available to pay per diem or actual subsistence expenses in excess of that allowed by statute or regulation. Bureau of Indian Affairs, B-195133, 60 Comp. Gen. 181 (1981). We held that the statutory limitations apply whether the rooms and meals were furnished by contract paid by the agency or whether the agency directly reimbursed the employee for those expenses.

In his letter, Mr. Wick asserts that this decision is having an adverse impact on the United States Information

Agency's ability to accomplish its mission. He states that the Agency is mandated by law to prepare information about the United States for distribution abroad through all types of information media. As a result, Agency employees frequently travel as reporters covering events and it is not always practical to make their own travel arrangements or to obtain lodging at rates within the authorized limits.

Mr. Wick then sets forth examples in which it is impractical to obtain lodging within the authorized rates. The first example involves a reporter who is assigned to cover the President. The reporter travels as part of the presidential entourage and all accommodations are arranged by the White House Transportation Office. The White House Transportation Office assumes responsibility for press baggage which is taken en masse to the press plane. presidential trips are made at all hours and arrival and departures are often at inconvenient times for public transportation, the White House Transportation Office is also responsible for ground transportation and treats members of the press as a single group. The Director states that there are other important reasons that the Agency's reporter stay with the press group. The White House Press Office and Press Filing Center are located in the hotel arranged by the White House. The Filing Center is where announcements are made, briefings are held, tapes are distributed, long distance telephones are set up, and Press Office personnel are available to answer questions. Mr. Wick alleges that a reporter who is lodged elsewhere runs a considerable risk of missing impromptu briefings, unscheduled distribution of announcements and statements, and information on unforseen developments. The Director concludes that it is essential to the successful accomplishment of the Agency's mission that these reporters stay with the rest of the White House press corps.

Another example involves a situation when the Agency invites foreign dignitaries to the United States. An agency official is often assigned as an escort officer and to perform has duties effectively, the Director asserts that the escort must stay in the same hotel the visitor is using.

Under both examples the lodgings chosen by both the White House and foreign dignitaries often exceed the maximum

reimbursement for per diem or actual subsistence expenses allowed by law. The Agency believes that the only practical solution is for the Agency to rent the quarters and pay the employees one-half per diem.

The Director requests that we permit the Agency to rent accommodations at a cost in excess of the statutory limitations where (a) use of the particular accommodations is an integral part of the employee's job assignment, and (b) failure to provide such accommodations would frustrate the ability of the Agency to carry out its statutory mandate. As a safeguard against abuse, the Agency proposes to authorize such arrangements only in response to individual applications setting forth the specific circumstances that justify the request, and only after a written determination by the Director or his authorized representative that the circumstances meet the two conditions set forth above.

The two requirements set forth by the Director establish a clear relationship between the costs incurred and the carrying out of the agency's statutory mission. Therefore, we hold that, in those circumstances, the costs are a necessary administrative cost for use of a room for official business.

This conclusion will allow the agency to pay for such expenses on a bases consistent with its past practice.

Comptroller General of the United States